

12 June 1955

MEMORANDUM FOR: Deputy Director (Coordination)

PROBLEM

The Basic Duties and Responsibilities of the DCI and of the Proposed USIB, and the Relationships of Each to the NSC.

(Conclusions and Recommendations on Page 6)

FACTS BEARING ON THE PROBLEM

1. The merger involves the integration of two groups with basically the same degree of responsibility and authority but with charters which are expressed in greatly differing language.
2. The IAC is purely advisory with its real authority based on the right to dissent from any action proposed by the DCI and thereby force a resolution of the problem at the NSC level.
3. The USCIB acts for and under the NSC and its responsibilities and duties are expressed in the dynamic language of "command," i.e., USCIB initiates, formulates and carries out policy, establishes objectives, requirements and priorities, supervises arrangements with foreign governments, considers and makes recommendations, determines the degree of security protection required, establishes procedures, provides for the appropriate assignment of jurisdiction, and decisions of USCIB shall be binding on all departments and agencies.
4. The Sec. Def. has dissolved the Joint Intelligence Committee thereby eliminating an important "place in the sun" formerly enjoyed by the Service intelligence chiefs.

5. The Service intelligence chiefs profess to be convinced that the statements made by General Hull and General Cutler at the joint IAC/USCIB meeting clearly indicated their desire that the new Board should be "authoritative," "high level" and directly under the NSC.

6. Mr. Quarles is reported to hold the belief that because national policy in the intelligence field has a bearing on the expenditure and allocation of funds and the disposition of personnel and resources, such national policy should be based on recommendations developed and transmitted to the NSC by the Board. It is also stated that Mr. Quarles considers that the DOD is making the largest contribution to the total foreign intelligence effort in terms of men, money and resources, therefore, its representatives should have a stronger and more positive voice in the development of national policy which affects such men, money and resources.

7. The National Security Act clearly places CIA "under the direction of the NSC" and assigns to CIA the duty to advise and make recommendations to the NSC. It further provides that CIA will perform any other function or duty that the NSC may direct. By law, the relationship of the CIA and the DCI to the NSC is identical with the relationship of the NSC to the President. For all practical purposes, the CIA and the DCI are under the direct command of the President; no other Agency or individual in the intelligence community has that position.

8. Although the proposed draft (post merger) NSCID 1 gives to the new USCIB responsibilities other than that of "advising the DCI,"

careful analysis of the qualifying language in NSCID 1 and in the other NSCIDs, so far approved by the NSC, indicate that the new USIB will still be almost exclusively advisory to the DCI. The range of actions which the DCI initiates and carries out, in consultation with the Board, covers practically every area in the field of foreign intelligence -- there is no area specifically "stated out" for the Board to act on as a Board and in its own name.

a. The Board's stated responsibilities include:

- (1) Assistance and advice to the DCI.
- (2) Formulation of common policies and development of coordinated programs.
- (3) Establishment of intelligence objectives, requirements and priorities.
- (4) Review of the foreign intelligence effort.
- (5) Recommendations to appropriate US officials.
- (6) Development and review of security standards and practices.

b. Summarizing the law, the draft NSCID 1 and the other NSCIDs so far approved by the NSC, we find that the DCI "shall do" the following:

(BY LAW)

- (1) Advise and make recommendations to the NSC.

(BY PROVISIONS OF DRAFT NSCID 1)

- (2) Coordinate the foreign intelligence activities of the US (Para. 1).
- (3) Invite "other chiefs" to sit with the USIB (Para. 2.B.).

(4) Refer dissents in USIB to the NSC (Para. 2.d.).

(5) Transmits approved actions or recommendations of USIB to the departments and agencies or to the NSC (Para. 2.1.).

(6) Indicates the concurrence or non-concurrence, views of those members of USIB concerned when transmitting his recommendations to the NSC and his recommendations, when approved by the NSC, shall be issued as NSCIDs (Para. 2.3.).

(7) Acts for the NSC to provide for detailed implementation of NSCIDs by issuing DCIDs with the concurrence of USIB.

(8) As Chairman of USIB, he determines when a given position represents the "consensus or view" of the Board and is thereby considered "agreed" unless a dissenting member specifically requests that the matter be referred to the NSC (Para. 2.d.).

(9) Both the NSCIDs which are based on recommendations made by the DCI to the NSC and the DCIDs provided by the DCI acting for the NSC are, in effect, "binding" on all departments and agencies concerned.

(10) Through the power to issue DCIDs, it is the DCI who: (Para. 3.b.)

(a) Provides general guidance and the establishment of specific priorities for the production and collection of intelligence.

(b) Establishes policies, procedures and practices for the continuing interchange of intelligence within the community.

(c) Establishes policies, procedures and practices for the production or procurement of intelligence or intelligence information by one member of the community to satisfy the requirements of another.

(11) Produces and disseminates National Intelligence with the support and concurrence of USIB (Para. 4.a.).

(12) Ensures the development of policies and procedures for the protection of intelligence and of intelligence sources and methods with the assistance and support of the USIB members (Para. 5).

(13) Calls upon the departments and agencies to investigate unauthorized disclosures of intelligence and of intelligence sources and methods (Para. 5).

(14) In consultation with and supported by the USIB members, the DCI shall do the following: (Para. 6.a.)

(a) Call upon other departments and agencies to ensure that the intelligence community is supported by the full knowledge and technical talent available in the Government.

(b) Ensure that the pertinence, extent and quality of the foreign intelligence available is continually reviewed as a basis for improving its quality and correcting deficiencies.

(c) Take appropriate measures to facilitate the coordinated development of compatible referencing systems.

(d) Make surveys of the departmental intelligence activities of the various departments and agencies as he may deem necessary.

(e) Make arrangements with the departments and agencies for the assignment to or exchange with CIA personnel.

(BY THE PROVISIONS OF NSCID 2)

(15) Ensures that the planning for and the utilization of intelligence collecting capabilities avoids undesirable duplication and uncoordinated overlap in consultation with the IAC or individual members of the community (Para. 1).

(16) Coordinates CIA's exploitation of foreign language publications with similar activities of the other departments and agencies (Para. 9).

(BY THE PROVISIONS OF NSCID 3)

(17) Determines the form in which the NIS will be disseminated in consultation with the departments and agencies concerned (Para. 1.e.).

(18) Coordinate the production and maintenance and accomplishes the review, publication and dissemination of the NIS (Para. 1.d.).

(19) Maintains a continuous program of coordination and evaluation of intelligence production to promote an integration of effort and avoid undesirable duplication (Para. 7).

(20) Determines which member of the community can undertake production responsibility for intelligence for which there is no existing capability, in consultation with the IAC (Para. 3).

(BY THE PROVISIONS OF NSCID 4.)

(21) May apply the provisions of NSCID 4 to nationals of countries other than the USSR and the SINO-Soviet Bloc, in consultation with the IAC (Para. 5)

(22) May determine when a defector requires special handling and restriction of information concerning him, in consultation with the IAC (Para. 6).

(23) Establishes procedures for the operation of the Defector Program, in consultation with the IAC (Para. 7.d.).

(24) Coordinates all activities authorized in connection with the Defector Program (Para. 7.b.).

(BY THE PROVISIONS OF NSCID 5)

(25) Establishes, in consultation with the IAC, the procedures necessary to ensure centralized direction of NSCID 5 activities through prior, comprehensive and continuing coordination (Para. 2.a.).

(26) Coordinates all NSCID 5 activities (Para. 2.b.).

(27) Makes mutually agreeable arrangements with other departments and agencies for cover support required by CIA and coordinates the arrangements for cover support required by them (Para. 2.d.).

(23) Develops appropriate policy recommendations for NSC consideration with respect to the over-all US counter-intelligence effort, in consultation with the IAC and other interested departments and agencies (para. 10).

DISCUSSION

9. On the basis of the provisions in draft (1961 merger) NSCID 1 and on the assumption that the only substantive revision to be made in the other NSCIDs, so far approved by the NSC, will be to change the term "IAC" to "USIB" -- there will be no clearly identifiable area in which the new USIB is assigned any specific responsibility to act on in its own name, nor will it, as a board, have any direct responsibility to the NSC.

10. Like the present IAC, the responsibilities of the new USIB will be consultative in nature and its only real authority will be based on the right of dissent. For the military members, this "authority" is subject to approval by the Sec. Def.

11. Only in the new NSCID 3 do we find language which emphasizes the authority and responsibility of the board itself rather than that of the DCI. In this case it is the board which "acts for and under the NSC" to establish policies "governing," etc., rather than the DCI. Although the new NSCID 3 tends to water down the authority of the DCI in the intelligence area covered by that document, there is nothing in the law which exempts this area from CIA's advisory and recommending authority. Furthermore, the basic concept of "Board action" contained



in NSCID 3 is inconsistent with the Kilham Board recommendation for strong centralized direction of the intelligence effort through the NSC and the DCI.

12. The Service intelligence chiefs have suffered a down-grading of their prestige by the elimination of the Joint Intelligence Committee and the general upgrading of the Joint Staff in the field of Service intelligence activities. It is understandable that these men would be more than usually allergic to any action which they could construe as a further reduction in their prestige. It is obvious that the dynamic language of NSCID 3 has a strong appeal to them at this time. The language contained in paragraph 2 of Draft NSCID 1 has the appearance of providing some Board "authority" but, as indicated in the analysis above, it is so watered down by the qualifying provisions in the law and NSCIDs as to have little in the way of substance.

13. In recent months some inhabitants of the Pentagon have expressed the view that the provisions of the NSCIDs are not consistent with the concept of an "intelligence community" which, to them, means the joint participation of all members in the affairs of the community.

14. As reported concerning Mr. Quarles, the Kilham Board also has been impressed by the large and growing cost of our foreign intelligence effort. However, their reaction was to conclude that a more comprehensive coordination and the strong centralized direction of this effort "through the NSC and the DCI" would do much to contain the cost, avoid unnecessary duplication, etc.

15. With respect to the new USIB being "authoritative" and directly responsible to the NSC," it is difficult to see how this could be accomplished unless the Board member truly represented the "final word" in their departments and agencies when matters for NSC consideration came to the decision stage in USIB. At the present time, agreement by the military members in the IAC does not represent the "final word" of the Pentagon on a matter being referred to the NSC as it does not at this point have the approval of the JCS. On this very problem of the revised NSCID 1, the Joint Staff have asked for sufficient time after the final paper is approved by the IAC, to "clear it" with the JCS prior to its submission to the NSC. If it were decided to make the new Board truly "authoritative" and "directly responsible" to the NSC, the Pentagon would have to revise its staffing system so that all "clearances" in the Pentagon up to the level of the Sec. Def., at least, were finalized prior to USIB action so that a vote by the military members would truly reflect the firm position of their respective departments and agencies.

#### CONCLUSION

1. By law, only the CIA and the DCI are directly responsible to and under "command" of the NSC; in effect, the President.

2. It is the clear intent of the Killian Board recommendations, approved by the President, to achieve strong centralized direction of the entire foreign intelligence effort of the US through the NSC and the DCI.

3. The net result of the provisions contained in draft (post merger) NSCID 1 and in the other NSCIDs so far approved by the NSC,

is to make the new USIB consultative in nature with its "authority" based on the right to dissent on any action proposed by the DCI. There is no area in which the USIB is given any specific responsibility to act on its own initiative and in its own name, nor is the Board made responsible to the NSC.

4. The revisions to our draft NSCID 1 proposed by the Pentagon would make the Board, as such, directly responsible to the NSC for the development of recommendations for NSC consideration and would imply that all NSCIDs were to be based on Board rather than DCI recommendations. However, it would retain the DCI's recommending authority without making any distinction as to the areas in which the DCI would make recommendations in his own name in contrast to recommendations made by the Board and submitted by the DCI as its Chairman.

5. The language of the new NSCID 3, with respect to USCIB, is inconsistent with the basic concepts upon which the Millian Board recommendations have been based.

6. The Pentagon's professed interpretation of the remarks made by General Hall and General Cutler at the joint IAC/USCIB meeting has confused the issue with respect to the intent of the Millian (Hall) Board relative to the position of the new USIB versus that of the DCI and the relationship of both to the NSC.

7. There is no way to accommodate the desires of the Pentagon, as expressed in their proposed revision of draft NSCID 1 with respect to the Board, without downgrading and confusing the position of the DCI by creating a duality of responsibility to the NSC in the field of foreign intelligence and submitting to the NSC a proposal that

would be inconsistent with the basic objectives of the Military Board recommendations which already have Presidential approval.

3. There are two areas in which <sup>action</sup> might be taken to improve the position of the USIB members, one would be largely psychological and the other substantive.

a. Revise the language of all the NSCIDs to emphasize the fact that all actions by the DCI will be conducted with the maximum degree of consultation and collaboration with the USIB members, a practice which has been consistently followed through the years and to a fault, in the opinion of the Military Board.

b. Have the DCI propose that the NSC members concerned assign to their representatives on USIB:

(1) Full responsibility for representing their respective departments and agencies on foreign intelligence matters so that a 'vote' by any member in USIB will represent the firm and final position of his department or agency on that subject prior to its consideration and final resolution in the NSC.

(2) Functional responsibility for all foreign intelligence activities conducted by their respective departments and agencies at home or abroad.

#### RECOMMENDATION

It is recommended that General Hull be invited to attend the Wednesday meeting with the Service Intelligence chiefs for the purpose

of clarifying, for all concerned, the views of the Hall Board with respect to the relationship of the new USIB to the DCL and of both to the NSC. Subsequent to such clarification, we may proceed with dispatch to develop a NSCID for NSC consideration that will be fully consistent with the desires of the Hall Board and the President.